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DEPARTMENT FOR EUR/SE, INR/B

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TAGS: [PGOV](#) [PHUM](#) [PREL](#) [CY](#) [GR](#)  
SUBJECT: PRESIDENT'S DIKO PARTY COMPLETES FACELIFT

Classified By: Ambassador Ronald Schlicher, Reason 1.4 (b)

¶1. (C) SUMMARY: On October 22, Armenian-Cypriot Marios Karoyian became the leader of the centrist, ruling Democratic Party (DIKO), handily defeating DIKO Deputy Leader Nicos Cleanthous. At the party's helm Karoyian replaces RoC President Tassos Papadopoulos, who stepped down two weeks earlier to "make room for younger politicians." Immediately after his election, Karoyian pledged to support Papadopoulos's policies and re-election, and to strengthen cooperation with DIKO's coalition partners. His election completed the party's revitalization effort, which began in 2005 with the rise to power of several younger members. We don't expect a policy one-eighty under Karoyian; DIKO likely will stick to its uncompromising (and highly popular) hard line vis-a-vis the Cyprus Problem. END SUMMARY.

#### Papadopoulos Resignation Opens Leadership Door

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¶2. (SBU) Explaining he wanted to make room for aspiring DIKO leaders and dedicate himself to running the nation, President Papadopoulos resigned the party chairmanship in public comments October 8. He rejected rumors that claimed he sought to concentrate on preparing for the 2008 presidential elections. Rivals and allies alike greeted the announcement with disbelief, as most here are convinced Papadopoulos will seek at least one more term in office.

¶3. (C) His resignation opened the door to Armenian-Cypriot Marios Karoyian, 45, a Member of Parliament from Nicosia. After a contentious campaign, Karoyian won the DIKO presidency October 22 with a strong 62.6 percent of the vote, against 37.4 percent for Nicos Cleanthous, deputy party leader for the past eight years. Karoyian's election came as no surprise, since he enjoyed support from both strong factions within the party, the original members (otherwise known as the pro-Kyprianou faction, after founder and former RoC President Spyros Kyprianou) and the members of Tassos Papadopoulos's Center Union party, which merged with DIKO in the late 1980s. Karoyian, formerly a top aide of Kyprianou, earlier had proven able to bridge the divide, winning Papadopoulos's confidence and being appointed presidential spokesman in 2003.

¶4. (U) Opposition press interpreted Karoyian's election as a comeback for the pro-Kyprianou faction. Despite his easy victory, they questioned whether Karoyian was simply a transitional party administrator operating in the shadow of President Papadopoulos. DIKO officials quickly dismissed that analysis as an attempt to rekindle DIKO rivalries under a divide-and-conquer strategy. Karoyian's election instead was proof, they claimed, that the party was no longer plagued

by internal divisions; it backed Papadopoulos to the hilt.

If it Ain't Broke, Don't Fix It

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¶5. (SBU) Karoyian has shown no intention of revising DIKO's traditional, tested, and extremely popular hard-line policies regarding the Cyprus issue. His first meeting as party leader was with Papadopoulos; emerging, he announced his hope the President would stand for re-election in 2008. Karoyian's public statements have focused on grass-roots politics -- giving the party a more appealing image, attracting youth leaders, and bridging gaps between party cadres. (DIKO began the overhaul last year, replacing 70 percent of its executive committee and placing youthful, attractive candidates on its candidate lists. The changes brought immediate dividends; in 2006 parliamentary elections, DIKO won 17.9% of the vote, as compared to 14.8 percent in 2001.)

A Leader in Name Only?

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¶6. (C) Maintaining and fortifying the three-party coalition (DIKO, AKEL, EDEK) remain party priorities, Karoyian announced. Many in media argue, however, that the election of a center-right DIKO candidate like Karoyian weakens the ideologically diverse alliance. Following this logic, left-leaning Cleanthous, an early and ardent promoter of DIKO-AKEL cooperation, was the better choice.

¶7. (C) Other analysts note Karoyian lacks his own DIKO faction and therefore will rely heavily on Papadopoulos's support. Virtually all expect him to maintain close ties to the RoC president. Moreover, as a non-Greek Cypriot, it is unlikely Karoyian will be able to forge a significant personal power base; we judge that this likelihood appealed to Papadopoulos, who wants as few would-be rivals as possible.

¶8. (C) Karoyian allies appear few, since both existing DIKO factions aspire to regain power shortly. The heirs-in-waiting are Nicolas Papadopoulos (Tassos's son and a current DIKO deputy) and Marcos Kyprianou (Spyros's son and currently EU Health Commissioner.) Already, other parties are seeking to capitalize on this rivalry in an effort to cause maximum friction within the ruling coalition; we know that some DISY leadership elements are urging Kyprianou to seek the Presidency in 2008.

Comment:

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¶9. (SBU) A mild mannered, affable and down-to-earth politician, Karoyian attained success in DIKO the uncommon way in Cyprus: through hard work, not family connections. His political instincts are sound, and he has shown a knack for making the right moves at the right time. Karoyian survived several public spats with Papadopoulos during the 1990s, for example, and eventually won the then-DIKO leader's confidence, something few contemporaries )- inside or out of DIKO )- can say. Lacking a personal power base at the moment, however, the newest DIKO chieftain will attempt to maintain close relations with Papadopoulos, still the power behind the party throne. Leaving major policy issues (read, the Cyprus Problem) to the President, Karoyian instead will focus on expanding DIKO's membership rolls and ensuring party discipline in the run-up to the 2008 presidential elections.  
End Comment.

Biographical Information:

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¶10. (U) Karoyian was born in Nicosia in 1961. As a university student, he studied political science in Italy, eventually becoming president of the Cypriot Students' Union in Perugia. Returning to the island, he became a member of DIKO's central committee and, in 1997, won election to its

executive committee, the highest decision-making body of the party. He was staff director for two Parliamentary presidents, Alexis Galanos (1991-1996) and Spyros Kyprianou (1996-2001.) Karoyian unsuccessfully ran in parliamentary elections in 2001. In 2003, President Papadopoulos named him director of the press office. He left that post in January 2006 to seek election to Parliament, winning a seat in May. Karoyian is married to Marina Adamidou, a Parliament staffer, and has two young children.

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